

Agency Proposed Budget								
Budget Item	Base Budget Fiscal 2002	PL Base Adjustment Fiscal 2004	New Proposals Fiscal 2004	Total Exec. Budget Fiscal 2004	PL Base Adjustment Fiscal 2005	New Proposals Fiscal 2005	Total Exec. Budget Fiscal 2005	Total Exec. Budget Fiscal 04-05
FTE	57.63	0.35	(0.30)	57.68	0.35	(0.30)	57.68	57.68
Personal Services	2,214,608	146,047	(14,536)	2,346,119	149,984	(14,643)	2,349,949	4,696,068
Operating Expenses	1,196,718	23,602	114,881	1,335,201	13,570	114,882	1,325,170	2,660,371
Equipment	11,419	0	0	11,419	0	0	11,419	22,838
Grants	210,565	916	(22,629)	188,852	916	(22,575)	188,906	377,758
Transfers	53,652	(6,900)	0	46,752	(6,900)	0	46,752	93,504
Total Costs	\$3,686,962	\$163,665	\$77,716	\$3,928,343	\$157,570	\$77,664	\$3,922,196	\$7,850,539
General Fund	1,803,840	20,486	(72,958)	1,751,368	6,467	(73,010)	1,737,297	3,488,665
State/Other Special	426,471	13,862	100,000	540,333	17,845	100,000	544,316	1,084,649
Federal Special	683,747	56,810	0	740,557	57,655	0	741,402	1,481,959
Proprietary	772,904	72,507	50,674	896,085	75,603	50,674	899,181	1,795,266
Total Funds	\$3,686,962	\$163,665	\$77,716	\$3,928,343	\$157,570	\$77,664	\$3,922,196	\$7,850,539

Agency Description

The Montana Historical Society, authorized by Title 22-3-101, MCA, exists for the use, learning, culture, and enjoyment of the citizens of, and visitors to, the State of Montana. The society acquires, preserves, and protects historical records, art, archives, museum objects, historical places, sites, and monuments. The society maintains a library and a historical museum, provides educational programs and services for teachers and the general public, and publishes the state historical magazine and newsletter. The society also administers preservation and antiquities acts, supports commissions with state historical orientation, and provides technical assistance to all Montana museums, historical societies, preservation programs, and owners of historic resources.

Agency Discussion

Montana Historical Society Major Budget Highlights	
<ul style="list-style-type: none"> ○ The total 2005 biennium budget is \$35,900 less than the total 2003 biennium budget ○ General fund decreases \$52,400 in fiscal 2004 and \$66,500 in fiscal 2005 from base year expenditures ○ General fund savings are a result of public service reductions, general operating reductions, funding switches that replace general fund with proprietary funding and accommodations tax, and 0.30 FTE reductions 	
Major LFD Issues	
<ul style="list-style-type: none"> ○ Museum fees ○ Publications Program funding 	

Funding

The following table summarizes funding for the agency, by program and source, as recommended by the Governor. Funding for each program is discussed in detail in the individual program narratives that follow.

Total Agency Funding 2005 Biennium Executive Budget						
Agency Program	General Fund	State Spec.	Fed Spec.	Proprietary	Grand Total	Total %
Administration Program	\$ 1,746,342	\$ 369,469	\$ 188,000	\$ 203,408	\$ 2,507,219	31.9%
Museum Program	363,095	709,537	-	13,412	1,086,044	13.8%
Library Program	1,194,082	5,643	-	112,441	1,312,166	16.7%
Publications Program	93,504	-	-	1,466,005	1,559,509	19.9%
Historic Preservation Program	91,642	-	1,293,959	-	1,385,601	17.6%
Lewis & Clark Bicentennial						
Grand Total	<u>\$ 3,488,665</u>	<u>\$ 1,084,649</u>	<u>\$ 1,481,959</u>	<u>\$ 1,795,266</u>	<u>\$ 7,850,539</u>	<u>100.0%</u>

Biennium Budget Comparison								
Budget Item	Present Law Fiscal 2004	New Proposals Fiscal 2004	Total Exec. Budget Fiscal 2004	Present Law Fiscal 2005	New Proposals Fiscal 2005	Total Exec. Budget Fiscal 2005	Total Biennium Fiscal 02-03	Total Exec. Budget Fiscal 04-05
FTE	57.98	(0.30)	57.68	57.98	(0.30)	57.68	57.63	57.68
Personal Services	2,360,655	(14,536)	2,346,119	2,364,592	(14,643)	2,349,949	4,627,959	4,696,068
Operating Expenses	1,220,320	114,881	1,335,201	1,210,288	114,882	1,325,170	2,506,585	2,660,371
Equipment	11,419	0	11,419	11,419	0	11,419	21,496	22,838
Grants	211,481	(22,629)	188,852	211,481	(22,575)	188,906	623,235	377,758
Transfers	46,752	0	46,752	46,752	0	46,752	107,158	93,504
Total Costs	\$3,850,627	\$77,716	\$3,928,343	\$3,844,532	\$77,664	\$3,922,196	\$7,886,433	\$7,850,539
General Fund	1,824,326	(72,958)	1,751,368	1,810,307	(73,010)	1,737,297	3,645,083	3,488,665
State/Other Special	440,333	100,000	540,333	444,316	100,000	544,316	1,007,347	1,084,649
Federal Special	740,557	0	740,557	741,402	0	741,402	1,582,023	1,481,959
Proprietary	845,411	50,674	896,085	848,507	50,674	899,181	1,651,980	1,795,266
Total Funds	\$3,850,627	\$77,716	\$3,928,343	\$3,844,532	\$77,664	\$3,922,196	\$7,886,433	\$7,850,539

New Proposals

The "New Proposals" table summarizes all new proposals requested by the executive. Descriptions and LFD discussion of each new proposal are included in the individual program narratives.

New Proposals										
Program	Fiscal 2004					Fiscal 2005				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 7002 - Fund Switch for Overhead for MHC & LCBC										
01	0.00	(35,000)	0	0	15,674*	0.00	(35,000)	0	0	15,674*
DP 7002 - Reduction in Operating										
02	0.00	(793)	0	0	(793)	0.00	(792)	0	0	(792)
DP 7003 - Preservation Grant Reduction										
06	0.00	(22,629)	0	0	(22,629)	0.00	(22,575)	0	0	(22,575)
DP 7005 - FTE Reduction - Community Outreach										
01	(0.30)	(14,536)	0	0	(14,536)	(0.30)	(14,643)	0	0	(14,643)
DP 7009 - Lewis and Clark Interpretation										
03	0.00	0	100,000	0	100,000	0.00	0	100,000	0	100,000
Total	(0.30)	(\$72,958)	\$100,000	\$0	\$77,716*	(0.30)	(\$73,010)	\$100,000	\$0	\$77,664*

Language Recommendations

The executive recommends the following language:

"It is the intent of the legislature that the Department of Commerce use lodging facility use taxes to fund \$617,008 in fiscal year 2004 and \$621,017 in fiscal year 2005 for the Montana Historical Society. This would be expended as follows:

Historical Interpretation	\$196,857	\$193,627
Scraper Collection	120,151	127,390
Lewis and Clark Exhibit & Interpretation	100,000	100,000
Lewis and Clark Bicentennial Commission	200,000	200,000

The first three uses of lodging taxes are budgeted in items 1 and 3. The \$200,000 each fiscal year of the biennium for the Lewis and Clark Bicentennial Commission is a language appropriation."

LFD COMMENT

Similar language was approved by the 2001 legislature for different amounts. Refer to Volume 4, Section C - Natural Resources and Commerce under the Department of Commerce, Montana Promotion Division for issues and options regarding bed tax revenue.

Agency Issues

LFD ISSUE

Museum Fees

On February 15, 2002, the Montana Historical Society (MHS) joined several other historical societies throughout the nation and began charging fees at the State Historical Society Museum and the Original Governor's Mansion in Helena. This decision was made by the MHS Board of Trustees as a result of a public survey, which monitored public attitude and desires related to fees, along with quality of their museum experience. Survey results concluded that many visitors already anticipated paying a fee and would be willing to pay more than double what the society is now charging. The new fee was phased in with a recommended entrance donation initiated in October 2001 and full implementation of the fee in February 2002. The society set the fee schedule at \$3 for adults, \$1 for kids age 5 to 18, and \$8 for a family. This fee is minimal compared with other significant Montana museums, but average compared with other Western state historical museums. The society intended to use fee revenue for services that were not provided with previous revenues such as specialized guided tours, and to provide a revenue stream that could be used to assist with plans and designs to create more adequate storage, classroom, exhibit, work, and programming space for the society.

From June through October 2002 admissions generated about \$55,000. However, before fee implementation an average of \$15,700 per year was received from museum visitors through the lobby donation box. Less than \$1,300 in donations has been received in fiscal 2003. Therefore, the net gain in fee revenue is about \$40,600. In the first season of the newly implemented fee, the society noted that visitors were down which is usually the case during the first year or two when fees or charges are initiated. The society has not received many complaints regarding the fees and also believes that the economy following September 11th, general fear of traveling after that, and Helena road construction may also have affected adult visitation. Consequently, it may be too early to determine total impacts of the newly implemented fee.

\$15,000 of revenue generated from the fee was used in fiscal 2002 for fee program start-up costs that involved creating a new visitor and contact system and station, computer and cash register purchases, upgrading portions of the lobby, and revamping the membership program. An additional \$15,000 is budgeted in fiscal 2003 for ongoing operating costs and a seasonal fee collector. The society estimates the monthly costs of running the program at \$900 for an annual \$10,800 expense leaving approximately \$29,600 for other uses and that could be utilized to offset some of the \$180,000 annual general fund in the Museum Program. In addition, fees could be increased to generate additional revenue. An estimate of annual visitors' to the museums has been requested from the Society.

Program Proposed Budget								
Budget Item	Base Budget Fiscal 2002	PL Base Adjustment Fiscal 2004	New Proposals Fiscal 2004	Total Exec. Budget Fiscal 2004	PL Base Adjustment Fiscal 2005	New Proposals Fiscal 2005	Total Exec. Budget Fiscal 2005	Total Exec. Budget Fiscal 04-05
FTE	14.50	0.00	(0.30)	14.20	0.00	(0.30)	14.20	14.20
Personal Services	631,424	36,477	(14,536)	653,365	37,472	(14,643)	654,253	1,307,618
Operating Expenses	489,499	102,515	15,674	607,688	86,740	15,674	591,913	1,199,601
Total Costs	\$1,120,923	\$138,992	\$1,138	\$1,261,053	\$124,212	\$1,031	\$1,246,166	\$2,507,219
General Fund	800,732	129,644	(49,536)	880,840	114,413	(49,643)	865,502	1,746,342
State/Other Special	184,030	501	0	184,531	908	0	184,938	369,469
Federal Special	92,075	1,925	0	94,000	1,925	0	94,000	188,000
Proprietary	44,086	6,922	50,674	101,682	6,966	50,674	101,726	203,408
Total Funds	\$1,120,923	\$138,992	\$1,138	\$1,261,053	\$124,212	\$1,031	\$1,246,166	\$2,507,219

Program Description

The Administration Program provides supervision, administration, and coordination of Montana Historical Society programs. Program staff manage, plan, direct, and lead the society. Activities include public information, payroll/personnel, fund raising, financial reporting, business management, security, building management, community outreach, historic research, historic interpretation, and administrative support to commissions with state historical orientation.

Program Narrative

Administration Program Major Budget Highlights	
○	New proposals provide a general fund savings of approximately \$50,000 each year by replacing general fund with proprietary funds and through a 0.30 FTE reduction

Funding

The following table shows program funding, by source, for the base year and for the 2005 biennium as recommended by the Governor.

Program Funding Table Administration Program						
Program Funding	Base Fiscal 2002	% of Base Fiscal 2002	Budget Fiscal 2004	% of Budget Fiscal 2004	Budget Fiscal 2005	% of Budget Fiscal 2005
01100 General Fund	\$ 800,732	71.4%	\$ 880,840	69.8%	\$ 865,502	69.5%
02007 Accommodation Tax His Soc	116,438	10.4%	114,140	9.1%	114,526	9.2%
02041 Mt Hist. Society Donations	67,592	6.0%	70,391	5.6%	70,412	5.7%
03021 Historic Sites Preservation	92,075	8.2%	94,000	7.5%	94,000	7.5%
06073 Historical Society Management	44,086	3.9%	101,682	8.1%	101,726	8.2%
Grand Total	\$ 1,120,923	100.0%	\$ 1,261,053	100.0%	\$ 1,246,166	100.0%

This program is funded with general fund, state special revenue funds from donations and accommodations tax, federal funds from administration of National Parks Service programs, and proprietary funds from charges to the Heritage Commission and Lewis and Clark Commission for services provided by the Montana Historical Society, museum entrance fees, and merchandise sales.

General fund is used for administrative and audit expenses. State special revenue from the accommodations tax funds the sites and signs program and Lewis and Clark Bicentennial efforts. Donations fund the annual history conference, education, special exhibits, the development program and some administrative costs. Federal National Park Service funds pay for indirect costs related to administering the federal grant.

Present Law Adjustments									
-----Fiscal 2004-----					-----Fiscal 2005-----				
FTE	General	State Special	Federal Special	Total Funds	FTE	General	State Special	Federal Special	Total Funds
Personal Services				85,431					86,468
Vacancy Savings				(28,674)					(28,716)
Inflation/Deflation				2,610					2,677
Fixed Costs				117,038					101,870
Total Statewide Present Law Adjustments				\$176,405					\$162,299
DP 7000 - Gov Reductions - Public Service									
0.00	(36,413)	0	0	(36,413)	0.00	(36,413)	0	0	(36,413)
DP 7002 - Reduction in Operating									
0.00	(1,000)	0	0	(1,000)	0.00	(1,674)	0	0	(1,674)
Total Other Present Law Adjustments									
0.00	(\$37,413)	\$0	\$0	(\$37,413)	0.00	(\$38,087)	\$0	\$0	(\$38,087)
Grand Total All Present Law Adjustments				\$138,992					\$124,212

Executive Present Law Adjustments

The "Present Law Adjustments" table shows the primary changes to the adjusted base budget made by the legislature. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Legislative decisions on these items were applied globally to all agencies. The other numbered adjustments in the table correspond to the narrative descriptions.

DP 7000 - Gov Reductions - Public Service - The executive proposes to continue the Governor's reductions consisting of limiting contact with the society's governing board; downsizing phone systems; reducing technology; limiting memberships in affiliated organizations; limiting newsletter and/or web services for members and constituents; limiting reference services for constituents offered by phone, travel, and workshops; and reducing conservation of artifacts.

LFD COMMENT

This adjustment reduces personal services by \$20,280 per year and operating expenses by \$16,133 per year. Total reduction is \$36,413 each year. Fiscal 2002 expenditures in each of the accounts for printing/publications/graphics, office supplies/minor equipment, minor equipment-computer hardware, and meetings and conferences were about \$8,000 to \$10,000 more than previous years. Expenditures consistent with previous years in these accounts during the next biennium could offset most of the impacts of this reduction.

Fiscal 2003 impacts include reducing information and security staff from three employees to two during peak summer hours, eliminating three of the lesser-used phones, eliminating historical society professional membership to the American Association of Museums, and reducing Lewis & Clark technical assistance materials, special mailings, and workshops.

DP 7002 - Reduction in Operating - This decision package is an additional reduction in operating expenses for the Administration Program to meet the Governor's target that will include further cuts in travel, printing and contract services, and a reduction in the hours that the museum and library will be open to the public.

LFD COMMENT

This adjustment combined with the prior public service adjustment is a decrease of 3.4 percent from fiscal 2002 actual operating expenditures.

New Proposals										
Program	Fiscal 2004					Fiscal 2005				
	FTE	General	State Special	Federal Special	Total Funds	FTE	General	State Special	Federal Special	Total Funds
DP 7002 - Fund Switch for Overhead for MHC & LCBC										
01	0.00	(35,000)	0	0	15,674 *	0.00	(35,000)	0	0	15,674 *
DP 7005 - FTE Reduction - Community Outreach										
01	(0.30)	(14,536)	0	0	(14,536)	(0.30)	(14,643)	0	0	(14,643)
Total	(0.30)	(\$49,536)	\$0	\$0	\$1,138 *	(0.30)	(\$49,643)	\$0	\$0	\$1,031 *

New Proposals

The "New Proposals" table summarizes all new proposals requested by the executive. Descriptions and LFD discussion of each new proposal are included in the individual program narratives.

DP 7002 - Fund Switch for Overhead for MHC & LCBC - This fund switch redirects Administration Program costs from general fund to proprietary for anticipated overhead revenues from a 6 percent assessment in fiscal 2004 and a 7.5 percent assessment in fiscal 2005 to the Montana Heritage Commission and the Lewis and Clark Bicentennial Commission. Items to be funded with the overhead include legislatively required annual reports, society informational brochures, phone and computer lines, and fixed costs.

The new rates will increase proprietary revenue by \$15,674 annually and include increased internal support for both attached commissions.

LFD COMMENT

The Montana Heritage Commission and Lewis and Clark Bicentennial Commission are administratively attached to the society. The 2003 legislature approved a 10 percent assessment against the commissions' operating budgets to reimburse the society for administrative and professional assistance provided by staff to the commissions. The commissions approved a 3 percent assessment during the 2003 biennium. This adjustment increases the assessment to 6 percent in fiscal 2004 and 7.5 percent in fiscal 2005. The additional funds will offset about \$35,000 general fund within the Administration Program.

DP 7005 - FTE Reduction - Community Outreach - This reduction eliminates a 0.30 FTE community outreach position. This cut reduces statewide outreach, including web based activities, special educational projects, and special joint programs.

LFD COMMENT

This proposal reduces a vacant position leaving 0.20 FTE. Half of the authority for this position was transferred to Program 6-Historical Sites Preservation Program during fiscal 2002 and is reflected in Program 6 for the 2005 biennium. The remaining funding for 0.20 FTE will offset continued Governor reductions to personal services under DP 7000 by about \$6,600 per year.

Program Proposed Budget								
Budget Item	Base Budget Fiscal 2002	PL Base Adjustment Fiscal 2004	New Proposals Fiscal 2004	Total Exec. Budget Fiscal 2004	PL Base Adjustment Fiscal 2005	New Proposals Fiscal 2005	Total Exec. Budget Fiscal 2005	Total Exec. Budget Fiscal 04-05
FTE	13.75	0.00	0.00	13.75	0.00	0.00	13.75	13.75
Personal Services	523,640	18,418	0	542,058	18,229	0	541,869	1,083,927
Operating Expenses	114,473	(11,067)	(793)	102,613	(10,893)	(792)	102,788	205,401
Equipment	11,419	0	0	11,419	0	0	11,419	22,838
Total Costs	\$649,532	\$7,351	(\$793)	\$656,090	\$7,336	(\$792)	\$656,076	\$1,312,166
General Fund	595,418	2,447	(793)	597,072	2,384	(792)	597,010	1,194,082
State/Other Special	2,808	11	0	2,819	16	0	2,824	5,643
Federal Special	0	0	0	0	0	0	0	0
Proprietary	51,306	4,893	0	56,199	4,936	0	56,242	112,441
Total Funds	\$649,532	\$7,351	(\$793)	\$656,090	\$7,336	(\$792)	\$656,076	\$1,312,166

Program Description

The Library Program staff provide library and archive functions. They acquire, organize, preserve, and provide published materials to the public including historic records, manuscripts, photographs, and oral histories of Montana and the west. This program houses the official archives of state government and the legislature.

Program Narrative

Library Program Major Budget Highlights	
<ul style="list-style-type: none"> ○ Total funding is proposed at approximately the same level as fiscal 2002 expenditures ○ Proposed vacancy savings and reduced fixed costs and operating expenses offset present law increases for personal services 	

Funding

The following table shows program funding, by source, for the base year and for the 2005 biennium as recommended by the Governor.

Program Funding Table Library Program						
Program Funding	Base Fiscal 2002	% of Base Fiscal 2002	Budget Fiscal 2004	% of Budget Fiscal 2004	Budget Fiscal 2005	% of Budget Fiscal 2005
01100 General Fund	\$ 595,418	91.7%	\$ 597,072	91.0%	\$ 597,010	91.0%
02041 Mt Hist. Society Donations	2,808	0.4%	2,819	0.4%	2,824	0.4%
06072 Enterprise Historical Soc	<u>51,306</u>	<u>7.9%</u>	<u>56,199</u>	<u>8.6%</u>	<u>56,242</u>	<u>8.6%</u>
Grand Total	<u>\$ 649,532</u>	<u>100.0%</u>	<u>\$ 656,090</u>	<u>100.0%</u>	<u>\$ 656,076</u>	<u>100.0%</u>

The program is funded with a combination of general fund, state special revenue funds, and proprietary funds from the sale of photographs and photocopies.

Present Law Adjustments										
-----Fiscal 2004-----						-----Fiscal 2005-----				
	FTE	General	State Special	Federal Special	Total Funds	FTE	General	State Special	Federal Special	Total Funds
Personal Services					69,899					69,705
Vacancy Savings					(23,741)					(23,736)
Inflation/Deflation					1,936					2,016
Fixed Costs					(5,353)					(5,259)
Total Statewide Present Law Adjustments					\$42,741	\$42,726				
DP 7000 - Gov. Reduction - Public Service										
	0.00	(35,390)	0	0	(35,390)	0.00	(35,390)	0	0	(35,390)
Total Other Present Law Adjustments										
	0.00	(\$35,390)	\$0	\$0	(\$35,390)	0.00	(\$35,390)	\$0	\$0	(\$35,390)
Grand Total All Present Law Adjustments					\$7,351	\$7,336				

Executive Present Law Adjustments

The "Present Law Adjustments" table shows the primary changes to the adjusted base budget made by the legislature. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Legislative decisions on these items were applied globally to all agencies. The other numbered adjustments in the table correspond to the narrative descriptions.

DP 7000 - Gov. Reduction - Public Service - The executive proposes to continue the fiscal 2003 Governor reductions including limiting the processing of incoming materials (books, archival documents, maps, newspapers, photographs) throughout the Library-Archives program; 2) reduction of materials conservation work; 3) and limiting reference services offered to Montana researchers in all program areas (in person and by phone and email).

LFD COMMENT

This proposal continues the fiscal 2003 Governor reduction of \$27,740 to personal services and an additional \$7,650 reduction in operating expenses. As a result of this reduction, the society has closed the Library -Archives reference room during the noon hour, and will forego library book purchases in fiscal 2003. However, \$11,314 was expended on books in the base year and is carried forward to the 2005 biennium. In addition, processing of state agency records will be reduced by an estimated 140 lineal feet of the 500 to 600 lineal feet acquired each year. Responses to reference requests will decrease by an estimated 750 requests of the 24,000 to 25,000 requests received each year.

New Proposals										
-----Fiscal 2004-----						-----Fiscal 2005-----				
Program	FTE	General	State Special	Federal Special	Total Funds	FTE	General	State Special	Federal Special	Total Funds
DP 7002 - Reduction in Operating										
02	0.00	(793)	0	0	(793)	0.00	(792)	0	0	(792)
Total	0.00	(\$793)	\$0	\$0	(\$793)*	0.00	(\$792)	\$0	\$0	(\$792)*

New Proposals

The "New Proposals" table summarizes all new proposals requested by the executive. Descriptions and LFD discussion of each new proposal are included in the individual program narratives.

DP 7002 - Reduction in Operating - The executive proposes an additional reduction in operating expenses for the Library Program to meet the Governor's target.

LFD COMMENT

This proposal further reduces operating expenses by \$793 and \$792 in each year of the 2005 biennium for a total reduction of about 25 percent of fiscal 2002 operating expenditures.

Program Proposed Budget								
Budget Item	Base Budget Fiscal 2002	PL Base Adjustment Fiscal 2004	New Proposals Fiscal 2004	Total Exec. Budget Fiscal 2004	PL Base Adjustment Fiscal 2005	New Proposals Fiscal 2005	Total Exec. Budget Fiscal 2005	Total Exec. Budget Fiscal 04-05
FTE	9.50	0.35	0.00	9.85	0.35	0.00	9.85	9.85
Personal Services	350,233	(15,363)	0	334,870	(14,612)	0	335,621	670,491
Operating Expenses	186,069	(79,855)	100,000	206,214	(76,730)	100,000	209,339	415,553
Total Costs	\$536,302	(\$95,218)	\$100,000	\$541,084	(\$91,342)	\$100,000	\$544,960	\$1,086,044
General Fund	289,129	(107,728)	0	181,401	(107,435)	0	181,694	363,095
State/Other Special	240,549	12,434	100,000	352,983	16,005	100,000	356,554	709,537
Federal Special	0	0	0	0	0	0	0	0
Proprietary	6,624	76	0	6,700	88	0	6,712	13,412
Total Funds	\$536,302	(\$95,218)	\$100,000	\$541,084	(\$91,342)	\$100,000	\$544,960	\$1,086,044

Program Description

The Museum Program collects, preserves, and interprets the history of Montana through its material culture. The museum collects fine arts and historical, archaeological, and ethnological artifacts from Montana and the general geographic region. The program interprets its collections through exhibits, tours and traveling exhibits. The program also houses the society's education office that orchestrates events, programs, and materials on Montana history for learners of all ages.

Program Narrative

Museum Program Major Budget Highlights	
<ul style="list-style-type: none"> ○ Total funding increases slightly over fiscal 2002 expenditures ○ General fund savings are attributed to public service reductions ○ Additional increases to accommodations tax funding support the addition of 0.35 FTE to conduct tours at the Governor's Original Mansion and the Capitol, increased rent costs for storage of the Scriver collection, and to begin development of a new long-term Lewis and Clark exhibit 	

Funding

The following table shows program funding, by source, for the base year and for the 2005 biennium as recommended by the Governor.

Program Funding Table Museum Program							
Program Funding	Base Fiscal 2002	% of Base Fiscal 2002	Budget Fiscal 2004	% of Budget Fiscal 2004	Budget Fiscal 2005	% of Budget Fiscal 2005	
01100 General Fund	\$ 289,129	53.9%	\$ 181,401	33.5%	\$ 181,694	33.3%	
02007 Accommodation Tax His Soc	192,659	35.9%	302,868	56.0%	306,441	56.2%	
02041 Mt Hist. Society Donations	47,062	8.8%	49,283	9.1%	49,280	9.0%	
02045 Orig Gov'S Mansion Restoration	828	0.2%	832	0.2%	833	0.2%	
06072 Enterprise Historical Soc	<u>6,624</u>	<u>1.2%</u>	<u>6,700</u>	<u>1.2%</u>	<u>6,712</u>	<u>1.2%</u>	
Grand Total	<u>\$ 536,302</u>	<u>100.0%</u>	<u>\$ 541,084</u>	<u>100.0%</u>	<u>\$ 544,960</u>	<u>100.0%</u>	

The program is funded with a combination of general fund, state special revenue funds including donations and accommodations tax, and proprietary funds from the sales of books, copies and photographs, and rental of traveling exhibits.

Present Law Adjustments									
-----Fiscal 2004-----					-----Fiscal 2005-----				
FTE	General	State Special	Federal Special	Total Funds	FTE	General	State Special	Federal Special	Total Funds
Personal Services				43,590					44,397
Vacancy Savings				(15,754)					(15,785)
Inflation/Deflation				1,195					1,242
Fixed Costs				(22,898)					(22,470)
Total Statewide Present Law Adjustments				\$6,133					\$7,384
DP 10 - Scriver Collections Storage Rent									
0.00	0	2,880	0	2,880	0.00	0	5,846	0	5,846
DP 14 - Correct Expenditure Coding - Scriver Rent									
0.00	0	17,493	0	17,493	0.00	0	17,493	0	17,493
DP 15 - Historical Interpretation FTE									
0.35	0	5,680	0	5,680	0.35	0	5,789	0	5,789
DP 7000 - Public Service Reductions									
0.00	(127,404)	0	0	(127,404)	0.00	(127,854)	0	0	(127,854)
Total Other Present Law Adjustments									
0.35	(\$127,404)	\$26,053	\$0	(\$101,351)	0.35	(\$127,854)	\$29,128	\$0	(\$98,726)
Grand Total All Present Law Adjustments				(\$95,218)					(\$91,342)

Executive Present Law Adjustments

The "Present Law Adjustments" table shows the primary changes to the adjusted base budget made by the legislature. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Legislative decisions on these items were applied globally to all agencies. The other numbered adjustments in the table correspond to the narrative descriptions.

DP 10 - Scriver Collections Storage Rent - This is a non-general fund request for \$8,726 (\$2,880 in fiscal 2004 and \$5,846 in fiscal 2005) in rent for the Scriver collection storage to pay a negotiated, long-term 20-year lease with a three percent annual increase including utility costs.

LFD COMMENT

This proposal would fund a three percent annual increase in rental storage space for the Scriver collection to be funded with accommodations tax as approved by the 2001 legislature. The \$15 million Scriver collection, consisting of 3,500 pieces of art, sculptures, taxidermy, guns, artifacts, photos, books and other western memorabilia, was donated to the society in March 2000. The society was required to move the collection from Browning to Helena by July 1, 2000. Rental warehouse space was secured through an annual lease agreement to store the collection. The latest lease expired in May 2002 and the society, through assistance of the Department of Administration General Services Division, entered a more cost effective, 20-year lease agreement at a different facility for the same price in March 2002. The previous lease agreement was on a year-to-year basis, while costs increased five percent per year and required the state to pay 50 percent of the utilities. In addition, the original warehouse was a 100-year old structure with internal inadequacies.

To date, the Society has created and hosted two Scriver Exhibits: "A Legacy in Bronze: The Sculpture of Robert M. Scriver" and "An Honest Try" which exhibit Scriver's rodeo series. In addition, the Scriver Collection was acquired in conjunction with two other partners: the Provincial Museum of Alberta and the Rocky Mountain Elk Foundation, with the understanding that all partners would have access to the collection for long-term loans and creation of appropriate thematic exhibits.

**LFD
COMMENT
(continued)**

The Scriver Center located in Helena at the storage warehouse was constructed by the Montana History Foundation, in partnership with other area organizations, as an "open storage" facility-a specific term in the museum field. The society now leases that space. The space permits visitors to see artifacts in a setting secure to the holdings and to see museum staff working with the collection. The Foundation has outstanding grant applications for sufficient funding to finish the visitor area of the Scriver Center. When the Foundation secures funds for completion, the society will invite visitation and charge admission to that area.

DP 14 - Correct Expenditure Coding - Scriver Rent - This is a non-general fund request to continue \$34,986 rent expenditures (\$17,493 in fiscal 2004 and \$17,493 in fiscal 2005). This amount was expended in fiscal 2002; however, it was expended in a fixed cost account code and did not carry forward into the base budget.

DP 15 - Historical Interpretation FTE - This is a non-general fund request for \$11,469 (\$5,680 in fiscal 2004 and \$5,789 in fiscal 2005) to increase the tour supervisor position to a 0.50 FTE. Currently the position is authorized at 0.15 FTE. Late in fiscal 2002, the position was separated from a 0.65 position and an operating change was requested to fund the position to equal a 0.50 FTE in fiscal year 2003. This adjustment will align the authorized FTE level with the actual work level.

Accommodations tax used for historical interpretation is for the Capitol tour guides, the Original Governor's Mansion tours, special events, preservation and restoration; "on the lawn" and indoor society special programs and commemorations; specialized adult and family tours; staff and volunteer tour guide training; interpretive brochures and handouts; family activity kits; and interactive exhibit components.

DP 7000 - Public Service Reductions - The executive proposes to continue an annual \$26,715 of Governor's reductions, \$43,661 of the global special session reductions, and an additional \$57,478. Reductions will result in less curatorial work accomplished including fewer collections acquired, cataloged, and preserved; less technical assistance and public service to Montana community museums and historical societies; reduced ability to coordinate work with Montana businesses needing society images; less ability to honor loan requests from sister institutions around Montana and the nation; fewer public programs and educational activities and events offered; and possible reduction in museum visitor hours and school tour opportunities.

**LFD
COMMENT**

This adjustment reduces personal services by \$56,195 and operating expenses by \$71,209. Over the past three years there were approximately 50,000 to 54,000 educational program participants each year and over 30 exhibits were displayed throughout the state during a portion of each fiscal year. Due to proposed budget reductions, the society anticipates 35,000 to 45,000 educational program participants per year and display of 19-24 exhibits each year. In addition, the society is currently evaluating how to reduce the hours that their public spaces are open by 15 to 16 hours a week. To meet this savings, they are considering closing public spaces one day each week and opening galleries and the library later on each remaining day. Many museums throughout the country are closed on Mondays. The Historical Society Museum is currently open 8 to 10 hours a day, seven days a week during the summer, including weekends and holidays. During the winter it's open for nine hours, Monday thru Friday, eight hours on Saturday, and closed on Sundays and holidays. In order to offset some of the impacts to museum visit and research time, the society intends to add a limited number of evening hours.

New Proposals										
Program	FTE	Fiscal 2004				Fiscal 2005				
		General	State Special	Federal Special	Total Funds	FTE	General	State Special	Federal Special	Total Funds
DP 7009 - Lewis and Clark Interpretation 03	0.00	0	100,000	0	100,000	0.00	0	100,000	0	100,000
Total	0.00	\$0	\$100,000	\$0	\$100,000 *	0.00	\$0	\$100,000	\$0	\$100,000 *

New Proposals

The "New Proposals" table summarizes all new proposals requested by the executive. Descriptions and LFD discussion of each new proposal are included in the individual program narratives.

DP 7009 - Lewis and Clark Interpretation - The Lewis and Clark exhibit and interpretations for \$100,000 per year bed tax funding is to help develop and initiate the \$500,000 long-term new Lewis and Clark exhibit entitled "Neither Empty Nor Unknown" that is planned for May 2005 through 2007 in the Haynes Gallery and Auditorium. The early work will include conservation of archival materials and artifacts to allow their safe use in exhibit displays. Sixty-six percent of the museum visitation is from out-of-state and another 20 percent is from outside the Helena area.

LFD COMMENT

If the exhibits are a priority of the legislature and the intent of this proposal is to acquire seed money to start the project with the rest funded through private sources, the legislature may want to consider approving the request on a one-time-basis only. Refer to Volume 4 - Section C - Natural Resources and Commerce under the Department of Commerce, Montana Promotion Division for issues and options regarding bed tax revenue.

Program Proposed Budget								
Budget Item	Base Budget Fiscal 2002	PL Base Adjustment Fiscal 2004	New Proposals Fiscal 2004	Total Exec. Budget Fiscal 2004	PL Base Adjustment Fiscal 2005	New Proposals Fiscal 2005	Total Exec. Budget Fiscal 2005	Total Exec. Budget Fiscal 04-05
FTE	10.38	0.00	0.00	10.38	0.00	0.00	10.38	10.38
Personal Services	346,287	49,875	0	396,162	51,628	0	397,915	794,077
Operating Expenses	324,601	10,741	0	335,342	11,985	0	336,586	671,928
Equipment	0	0	0	0	0	0	0	0
Transfers	53,652	(6,900)	0	46,752	(6,900)	0	46,752	93,504
Total Costs	\$724,540	\$53,716	\$0	\$778,256	\$56,713	\$0	\$781,253	\$1,559,509
General Fund	53,652	(6,900)	0	46,752	(6,900)	0	46,752	93,504
State/Other Special	0	0	0	0	0	0	0	0
Federal Special	0	0	0	0	0	0	0	0
Proprietary	670,888	60,616	0	731,504	63,613	0	734,501	1,466,005
Total Funds	\$724,540	\$53,716	\$0	\$778,256	\$56,713	\$0	\$781,253	\$1,559,509

Program Description

The Publications Program promotes the study of Montana history and education through lectures, publications, and curriculum materials. The program publishes quarterly editions of the award-winning Montana the Magazine of Western History and the Montana Post, the official newsletter of the society. It also publishes books under the Montana Historical Society Press imprint and operates the museum store.

Program Narrative

Publications Program Major Budget Highlights	
<ul style="list-style-type: none"> ○ Total funding is proposed at a slightly higher level than actual fiscal 2002 expenditures ○ General fund savings is \$6,900 per year due to general operating reductions ○ Proprietary funding increases \$60,616 in fiscal 2004 and \$63,613 in fiscal 2005, about nine percent over fiscal 2002 expenditures, due to increases in personal services and fixed costs 	
Major LFD Issues	
<ul style="list-style-type: none"> ○ Publications subsidized by general fund 	

Funding

The following table shows program funding, by source, for the base year and for the 2005 biennium as recommended by the Governor.

Program Funding Table Publications Program						
Program Funding	Base Fiscal 2002	% of Base Fiscal 2002	Budget Fiscal 2004	% of Budget Fiscal 2004	Budget Fiscal 2005	% of Budget Fiscal 2005
01100 General Fund	\$ 53,652	7.4%	\$ 46,752	6.0%	\$ 46,752	6.0%
06002 Historical Society Enterprise	409,128	56.5%	448,370	57.6%	449,967	57.6%
06071 Merchandise - Historical Society	<u>261,760</u>	<u>36.1%</u>	<u>283,134</u>	<u>36.4%</u>	<u>284,534</u>	<u>36.4%</u>
Grand Total	\$ 724,540	100.0%	\$ 778,256	100.0%	\$ 781,253	100.0%

The program is funded with a combination of general fund and proprietary funds. The general fund, budgeted as a transfer, pays a portion of 2.00 FTE involved in publishing Montana the Magazine of Western History. The transfer allows these funds to be spent from the proprietary accounts, in accordance with generally accepted accounting principle (GAAP).

The proprietary funds are enterprise funds from the sale of magazines and books from the retail and mail order bookstore. They support program operations including the museum store, the magazine and other publications, and the historical society press.

LFD ISSUE

Proprietary Program is Subsidized with General Fund

The Publications Program is an enterprise operation that publishes and sells magazines and books and operates a mail order and retail bookstore. Funds generated from these sales are deposited into two individual proprietary funds, the publications enterprise fund and the merchandise-museum store fund. These funds have historically provided over 90 percent of the Publications Program funding with the remaining amount provided from the general fund. Figure 1 provides historical program appropriations by budget item and fund source along with the proposed 2005 biennium budget. The legislature may wish to make this a fully funded proprietary program.

Figure 1

Montana Historical Society Publication Program												
History of Total Appropriations and the 2005 Biennium Executive Request												
	Historical Program Appropriations						--Proposed--					
	1995		1997		1999		2001		2003		2005	
	Biennium		Biennium		Biennium		Biennium		Biennium		Biennium	
<u>Purpose of Approp. Authority</u>												
Personal Services	\$ 397,860	33.13%	\$ 510,226	34.97%	\$ 598,098	40.93%	\$ 688,345	44.43%	\$ 740,669	48.44%	\$ 794,077	50.93%
Operating Expenses	698,439	58.17%	842,545	57.74%	745,446	51.01%	711,225	45.91%	681,112	44.54%	671,928	43.09%
Equipment	1,500	0.12%	2,200	0.15%	11,000	0.75%	42,000	2.71%	-	0.00%	-	0.00%
Transfers (partial funding for 2 FTE)	<u>102,930</u>	<u>8.57%</u>	<u>104,198</u>	<u>7.14%</u>	<u>106,720</u>	<u>7.30%</u>	<u>107,754</u>	<u>6.95%</u>	<u>107,304</u>	<u>7.02%</u>	<u>93,222</u>	<u>5.98%</u>
Total	\$1,200,729	100.00%	\$1,459,169	100.00%	\$1,461,264	100.00%	\$1,549,324	100.00%	\$1,529,085	100.00%	\$1,559,227	100.00%
<u>Fund Source</u>												
General Fund	\$ 102,930	8.57%	\$ 104,198	7.14%	\$ 106,800	7.31%	\$ 107,302	6.93%	\$ 107,304	7.02%	\$ 93,222	5.98%
Federal Special	-	0.00%	10,000	0.69%	-	0.00%	-	0.00%	-	0.00%	-	0.00%
Proprietary	<u>1,097,799</u>	<u>91.43%</u>	<u>1,344,971</u>	<u>92.17%</u>	<u>1,354,464</u>	<u>92.69%</u>	<u>1,442,022</u>	<u>93.07%</u>	<u>1,421,781</u>	<u>92.98%</u>	<u>1,466,005</u>	<u>94.02%</u>
Total	\$1,200,729	100.00%	\$1,459,169	100.00%	\$1,461,264	100.00%	\$1,549,324	100.00%	\$1,529,085	100.00%	\$1,559,227	100.00%

There is a fund balance in both accounting entities: \$238,945 in the merchandise-museum store fund and \$193,658 in the publications enterprise fund. A majority of the fund balance is inventory consisting of magazines, press books, and store merchandise. The fiscal 2002 cash balance in each account is \$19,061 (merchandise fund) and \$48,181 (enterprise fund) which could be used to replace a portion of the \$46,661 general fund requested in each year of the 2005 biennium/

**LFD
ISSUE
(continued)**

General fund within this program is used to pay a portion of the cost for 2.00 FTE involved in publishing the society magazine. This issue was raised by the LFD during the 2001 biennium budget analysis cycle and it was noted that during the 1997 legislative session, the MHS director addressed the Education Subcommittee and made a statement to the effect that if the legislature subsidized the program for the 1999 biennium, he thought it should be able to fund itself in the future. However, the current director has indicated that without general fund, the society would have to shut down the state's only academic press that publishes books on Montana history. Most other states have an academic press at one of its universities, Montana does not. The legislature may wish to consider whether publishing books on Montana history is a state priority.

Options:

- Replace all general fund within the Publications Program with proprietary funds deposited into accounting entity 06002-MHS Publications Enterprise and 06072 - Merchandise Historical Society program requiring the program to become self-supporting.
- Replace a portion of the general fund with proprietary funding.
- Phase out general fund authority within this program over a certain time period. This could be accomplished by requiring a percentage or fixed amount of proprietary funds to replace general fund each year.
- Approve the Executive Budget.

If the program becomes self-supporting, it will no longer require appropriations through HB 2.

Present Law Adjustments									
-----Fiscal 2004-----					-----Fiscal 2005-----				
FTE	General	State Special	Federal Special	Total Funds	FTE	General	State Special	Federal Special	Total Funds
Personal Services				66,382					68,208
Vacancy Savings				(16,507)					(16,580)
Inflation/Deflation				1,729					1,810
Fixed Costs				9,012					10,175
Total Statewide Present Law Adjustments				\$60,616					\$63,613
DP 7000 - Gov Reductions - Public Service									
0.00	(6,900)	0	0	(6,900)	0.00	(6,900)	0	0	(6,900)
Total Other Present Law Adjustments									
0.00	(\$6,900)	\$0	\$0	(\$6,900)	0.00	(\$6,900)	\$0	\$0	(\$6,900)
Grand Total All Present Law Adjustments				\$53,716					\$56,713

Executive Present Law Adjustments

The "Present Law Adjustments" table shows the primary changes to the adjusted base budget made by the legislature. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Legislative decisions on these items were applied globally to all agencies. The other numbered adjustments in the table correspond to the narrative descriptions.

DP 7000 - Gov Reductions - Public Service - The executive proposes to continue Governor reductions requiring the program to evaluate all aspects of magazine and book production.

**LFD
COMMENT**

This adjustment reduces transfers of proprietary funds to general fund by \$6,900. Expending some of the fund balance within the publication enterprise fund or the merchandise fund could offset the reduction and mitigate impacts. Refer to the funding issue for additional information.

Impacts during fiscal 2003 consisted of shifting two out of four editions of the newsletter to electronic format only, as opposed to printed and mailed distribution.

Program Proposed Budget								
Budget Item	Base Budget Fiscal 2002	PL Base Adjustment Fiscal 2004	New Proposals Fiscal 2004	Total Exec. Budget Fiscal 2004	PL Base Adjustment Fiscal 2005	New Proposals Fiscal 2005	Total Exec. Budget Fiscal 2005	Total Exec. Budget Fiscal 04-05
FTE	9.50	0.00	0.00	9.50	0.00	0.00	9.50	9.50
Personal Services	363,024	56,640	0	419,664	57,267	0	420,291	839,955
Operating Expenses	82,076	1,268	0	83,344	2,468	0	84,544	167,888
Grants	211,481	0	(22,629)	188,852	0	(22,575)	188,906	377,758
Total Costs	\$656,581	\$57,908	(\$22,629)	\$691,860	\$59,735	(\$22,575)	\$693,741	\$1,385,601
General Fund	64,909	3,023	(22,629)	45,303	4,005	(22,575)	46,339	91,642
Federal Special	591,672	54,885	0	646,557	55,730	0	647,402	1,293,959
Total Funds	\$656,581	\$57,908	(\$22,629)	\$691,860	\$59,735	(\$22,575)	\$693,741	\$1,385,601

Program Description

The Historic Sites Preservation Program administers the Montana Antiquities Act and Montana's participation in federal Historic Preservation Act and the federal grants-in-aid for historic preservation. Staff provide technical assistance to all Montana property owners. Staff review all proposed federally funded or permitted projects within the state to determine their effect on properties listed or eligible for listing on the National Register of Historic Places. The office certifies historic structures and rehabilitation projects for federal tax credits to citizens and businesses authorized by the Tax Reform Act of 1976. The program awards federal grants to local governments, communities, and individuals for: 1) the Certified Local Government Program, 2) historic survey and planning for historic areas, and 3) bricks and mortar rehabilitation when funds are available.

Program Narrative

Historic Sites Preservation Program Major Budget Highlights	
○	The executive proposes to replace general fund with federal preservation grant funds

Funding

The following table shows program funding, by source, for the base year and for the 2005 biennium as recommended by the Governor.

Program Funding Table Historic Preservation Program						
Program Funding	Base Fiscal 2002	% of Base Fiscal 2002	Budget Fiscal 2004	% of Budget Fiscal 2004	Budget Fiscal 2005	% of Budget Fiscal 2005
01100 General Fund	\$ 64,909	9.9%	\$ 45,303	6.5%	\$ 46,339	6.7%
03021 Historic Sites Preservation	<u>591,672</u>	<u>90.1%</u>	<u>646,557</u>	<u>93.5%</u>	<u>647,402</u>	<u>93.3%</u>
Grand Total	<u>\$ 656,581</u>	<u>100.0%</u>	<u>\$ 691,860</u>	<u>100.0%</u>	<u>\$ 693,741</u>	<u>100.0%</u>

The program is funded with a combination of general fund and federal special revenue from National Park Service grants.

Present Law Adjustments										
-----Fiscal 2004-----					-----Fiscal 2005-----					
FTE	General	State Special	Federal Special	Total Funds	FTE	General	State Special	Federal Special	Total Funds	
Personal Services				74,126						74,779
Vacancy Savings				(17,486)						(17,512)
Inflation/Deflation				1,123						1,209
Fixed Costs				4,545						5,659
Total Statewide Present Law Adjustments				\$62,308						\$64,135
DP 7000 - Gov. Reduction - Public Service										
0.00	(4,400)	0	0	(4,400)	0.00	(4,400)	0	0	(4,400)	
Total Other Present Law Adjustments										
0.00	(\$4,400)	\$0	\$0	(\$4,400)	0.00	(\$4,400)	\$0	\$0	(\$4,400)	
Grand Total All Present Law Adjustments				\$57,908						\$59,735

Executive Present Law Adjustments

The "Present Law Adjustments" table shows the primary changes to the adjusted base budget made by the legislature. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Legislative decisions on these items were applied globally to all agencies. The other numbered adjustments in the table correspond to the narrative descriptions.

LFD COMMENT

9.50 FTE are reflected in the fiscal 2002 snapshot for this program. This is 0.50 FTE greater than the fiscal 2002 budget approved by the 2001 legislature. During fiscal 2002, the executive approved a program transfer that moved the authority for 0.50 FTE from the Administration Program to the Historic Sites Preservation Program and combined it with another 0.50 FTE (Position #5170067). However, total agency FTE reflected in the snapshot equal the fiscal 2002 approved budget.

DP 7000 - Gov. Reduction - Public Service - The executive proposes to continue the Governor reductions of \$4,400 each year, reducing public service and outreach activities including visitation of property owners and properties for possible listing in the National Register of Historic Places; and reducing on-site consultation with building owners interested in federal tax credit project investments or other technical assistance as preservation work gets underway.

New Proposals										
-----Fiscal 2004-----					-----Fiscal 2005-----					
Program	FTE	General	State Special	Federal Special	Total Funds	FTE	General	State Special	Federal Special	Total Funds
DP 7003 - Preservation Grant Reduction										
06	0.00	(22,629)	0	0	(22,629)	0.00	(22,575)	0	0	(22,575)
Total	0.00	(\$22,629)	\$0	\$0	(\$22,629)*	0.00	(\$22,575)	\$0	\$0	(\$22,575)*

New Proposals

The "New Proposals" table summarizes all new proposals requested by the executive. Descriptions and LFD discussion of each new proposal are included in the individual program narratives.

DP 7003 - Preservation Grant Reduction - This adjustment removes general fund in a Historic Preservation Office position and replaces it with federal preservation grant dollars. This change will require a reduction in preservation grants for Montana properties listed in the National Register of Historic Places.

LFD COMMENT

Reductions will impact the program's "Bricks and Mortar" grants distributed over the past two years to assist in the restoration of Montana properties listed in the National Register of Historic Places. \$86,000 was granted through this program in fiscal 2001 and fiscal 2002 funding eight projects around the state. Some of the funded projects include the Copper King Mansion in Butte, the Northern Rockies Heritage Center at Fort Missoula, and the Old Cobblestone School in Absarokee. The proposed reduction of about \$45,200 over the biennium will reduce the number of funded projects.

Program Proposed Budget								
Budget Item	Base Budget Fiscal 2002	PL Base Adjustment Fiscal 2004	New Proposals Fiscal 2004	Total Exec. Budget Fiscal 2004	PL Base Adjustment Fiscal 2005	New Proposals Fiscal 2005	Total Exec. Budget Fiscal 2005	Total Exec. Budget Fiscal 04-05
FTE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Grants	(916)	916	0	0	916	0	0	0
Total Costs	(\$916)	\$916	\$0	\$0	\$916	\$0	\$0	\$0
State/Other Special	(916)	916	0	0	916	0	0	0
Total Funds	(\$916)	\$916	\$0	\$0	\$916	\$0	\$0	\$0

Program Description

The Montana Lewis and Clark Bicentennial Commission was statutorily created by the 1997 legislature. Its main mission is to provide statewide leadership, communication, and coordination in planning and implementing the Lewis and Clark Bicentennial observance in Montana which will be held from 2003-2006. The commission has 12 Governor-appointed commissioners serving three-year staggered terms.

Program Narrative

Lewis and Clark Bicentennial Commission Major Budget Highlights	
○	Budget appears to correct an account code error

Funding

The following table shows program funding, by source, for the base year and for the 2005 biennium as recommended by the Governor.

Program Funding Table Lewis & Clark Bicentennial		
Program Funding	Base Fiscal 2002	% of Base Fiscal 2002
02494 Lewis & Clark Commission	\$ (916)	100.0%
Grand Total	\$ (916)	100.0%

The program is funded with state special revenue from accommodations tax.

Present Law Adjustments										
-----Fiscal 2004-----						-----Fiscal 2005-----				
	FTE	General	State Special	Federal Special	Total Funds	FTE	General	State Special	Federal Special	Total Funds
DP 16 - Lewis & Clark Authority	0.00	0	916	0	916	0.00	0	916	0	916
Total Other Present Law Adjustments	0.00	\$0	\$916	\$0	\$916	0.00	\$0	\$916	\$0	\$916
Grand Total All Present Law Adjustments					\$916					\$916

Executive Present Law Adjustments

The "Present Law Adjustments" table shows the primary changes to the adjusted base budget made by the legislature. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Legislative decisions on these items were applied globally to all agencies. The other numbered adjustments in the table correspond to the narrative descriptions.

DP 16 - Lewis & Clark Authority - This request is a correction of an account code. The request is to zero out the negative budget request, resulting in a zero request.